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HANSON PERMANENTE CEMENT, INC.'S (F/K/A KAISER CEMENT CORP.)

INITIAL RESPONSES TO U.S. ENVIRONMENTAL PROTECTION AGENCY

CERCLA SECTION 104(e) INFORMATION REQUEST

Respondent: Hanson Permanente Cement, Inc.
(formerly known as Kaiser Cement Corporation)

Site: Lower Duwamish Waterway, Seattle, WA
5906 West Marginal Way SW
5975 East Marginal Way S.
Seattle, WA

King County Parcels: 1924049029 and 1924049075

Date: First involvement at the Site to present

On or about February 22, 2010, Hanson Permanente Cement, Inc. (f/k/a Kaiser Cement Corporation) ("Kaiser Cement") was served with a Request for Information (the "Request") from the United States Environmental Protection Agency ("USEPA") issued pursuant to Section 104(e) of the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), 42 U.S.C. § 9604(e), regarding the Lower Duwamish Waterway Superfund Site located in King County, Seattle, Washington ("Site"). Pursuant to an extension granted by the USEPA, the deadline for Kaiser Cement's initial response to the Request is June 23, 2010.

Kaiser Cement hereby submits its initial objections and responses to the Request (this "Initial Response"), and states as follows:

INITIAL STATEMENT

Kaiser Cement conducted cement distribution and manufacturing operations in the Seattle area starting in the 1940s. Based on available information, Kaiser Cement owned and operated cement operations at two separate locations in the vicinity of the Site, including 5906 West Marginal Way SW (King County Parcel No. 1924049029) (the "Westside Property") and 5975 East Marginal Way S. (King County Parcel Nos. 1924049075) (the "Eastside Property") in Seattle, Washington (collectively referred to as the "Seattle Properties").

Kaiser Cement has not conducted any active business operations in the state of Washington since 1987, and currently has no employees in Washington. In addition, based on available information, Kaiser Cement does not know the current whereabouts of any of its former Washington employees that might have knowledge about the Seattle Properties. Therefore, Kaiser Cement's response to the Request is based solely on counsel for Kaiser Cement's review of historical documents, title records, and corporate tax and corporate ownership and governance documents.



Kaiser Cement has gone through a number of corporate mergers and name changes over the time periods relevant to this Initial Response (1944 to the present). The Permanente Corporation first was incorporated in California on or about February 10, 1939. In 1943, the name of The Permanente Corporation was changed to Permanente Cement Company. In 1964, the name of the corporation was changed to Kaiser Cement & Gypsum Corporation. In 1979, the name of the corporation again was changed, this time to Kaiser Cement Corporation. In 1982, Kaiser Cement Corporation, the California corporation, was merged with and into Kaiser Cement Corporation, a Delaware corporation, with Kaiser Cement Corporation (Delaware) being the surviving corporation. On February 3, 1989, Kaiser Cement Corporation (Delaware) was merged with and into Superlite Builders Supply, Inc., an Arizona corporation, with Superlite Builders Supply, Inc. being the surviving corporation. Immediately after the merger, Superlite Builders Supply, Inc. changed its name to Kaiser Cement Corporation. In February 1999, Kaiser Cement Corporation, the Arizona corporation, changed its name to Hanson Permanente Cement, Inc., its current name. Hanson Permanente Cement, Inc. remains incorporated under the laws of the state of Arizona. All of the foregoing entities are referred to collectively herein as "Kaiser Cement."

At or around the time that its operations ceased in Washington, Kaiser Cement collected certain of its business records relating to the Seattle Properties and sent them to storage facilities in California. These documents are still stored in California and are subject to strict retention directives related to ongoing litigation involving Kaiser Cement. These stored document collections cover a variety of historical information, and are believed to contain documents related to historical operating facilities in multiple states, including Washington. Counsel for Kaiser Cement was able to locate certain indexes of the California documents, but these indexes were not identified with sufficient time prior to the June 23, 2010 deadline to search the indexes or to search any boxes that might be identified for further review based on such an index search. Over the next few months, counsel for Kaiser Cement will conduct such searches and will supplement this Initial Response, as appropriate, based on any responsive information identified as a result of such searches.

Preliminary review of the available historical documents has confirmed the following:

- Kaiser Cement purchased a portion of the Eastside Property in June 1944. Kaiser Cement constructed a cement distribution facility on the Eastside Property, which started operation in approximately October 1946. The facilities on the Eastside Property that were owned and operated by Kaiser Cement included a dolphin pier, silos, storage facilities, a sacking plant, railroad spurs, truck loading accommodations, and an office building.
- In December 1953, Kaiser Cement sold a portion of the Eastside Property to Kaiser Gypsum Company, Inc. ("Kaiser Gypsum"), and this sold portion of the Eastside Property eventually became part of what is now King County Parcel No. 1924049092.
- In October 1958, Kaiser Cement purchased additional real property, including a water inlet, to expand the Eastside Property from Commercial Waterway District No. 1.

- Kaiser Cement entered into a long-term lease with the Port of Seattle (the "Port") for the Westside Property in January 1965. A condition of the lease required Kaiser Cement to build a cement manufacturing and distribution facility. This facility was constructed and began operations in 1967. Kaiser Cement entered into a real estate contract with the Port in May 1969. By fulfillment deed, Kaiser Cement acquired fee title in the Westside Property on September 17, 1973.
- On October 1, 1985, Kaiser Cement sold all of its interest in the remainder of the Eastside Property to Riedel International, Inc.
- On April 14, 1987, Kaiser Cement sold all of its interest in the Westside Property to Lone Star Industries, Inc.

GENERAL OBJECTIONS

Kaiser Cement makes the following general objections to each individually numbered and segregated request for information contained in the Request, and to the definitions and instructions contained in the Request, to the extent applicable, on the following bases, as if each of the following general objections were repeated in full in Kaiser Cement's response to each individual request:

1. Kaiser Cement objects to USEPA's statement that "Incomplete, evasive or ambiguous answers shall constitute failure to respond" Kaiser Cement has no way to determine in advance which types of answers USEPA will deem to be incomplete, evasive or ambiguous. Kaiser Cement will make a good faith effort to provide complete, forthright and unambiguous answers.
2. Kaiser Cement objects to USEPA's statement that "regardless of the assertion of any privilege, any facts contained in the document which are responsive to the Information Request must be disclosed in your response . . .," as contrary to law. Attorney-client privileged communications do not lose their privileged status because they contain factual information, and the entirety of any privileged communication is protected from disclosure, even the factual information contained therein. Without waiving, limiting or otherwise prejudicing the foregoing objection, and while preserving all rights and defenses that it may have with respect to information that may be protected from disclosure under the work product doctrine, attorney-client privilege or other applicable privilege or protection from disclosure, Kaiser Cement will make a good faith effort to disclose relevant facts within its possession.
3. Kaiser Cement objects to USEPA's definition of "business activities" as overly-broad, unduly burdensome and oppressive.
4. Kaiser Cement objects to USEPA's definition of the term "material" because it includes "all raw materials, commercial products, wastes, chemicals, substances, or matter of any kind." This definition is so vague, ambiguous, overly-broad and unduly burdensome that it could be interpreted to mean literally anything. As such, it is not possible for Kaiser Cement to provide responses which take this definition into account. Kaiser Cement will make a good faith effort to disclose relevant facts within its possession.

5. Kaiser Cement objects to USEPA's definition of "Property" on the grounds that it includes "personal property" and "fee interests, leases, licenses, rental and mineral rights." As such, the definition is vague, ambiguous, overly-broad and unduly burdensome. Answers in this Response are limited to immovable property and fixtures thereon.

6. Kaiser Cement objects to USEPA's Request, including without limitation the instructions and definitions thereof, to the extent that it seeks or requests information, documents, or actions of Kaiser Cement that go beyond the scope of USEPA's authority under CERCLA, including without limitation, 42 U.S.C. § 9604(e).

I. Respondent Information

a. *Provide the full legal name and mailing address of the Respondent.*

Response: Hanson Permanente Cement, Inc., 300 E. John Carpenter Freeway, Suite 1800, Irving, Texas 75062.

b. *For each person answering these questions on behalf of Respondent, provide:*

i. *full name;*

ii. *title;*

iii. *business address; and*

iv. *business telephone number and FAX machine number.*

Response: All answers contained in this Initial Response, except for those questions concerning property ownership, federal income tax returns, and corporate ownership and governance, were prepared by in-house and outside counsel on behalf of Kaiser Cement based on a review of historical documents. Kaiser Cement's in-house counsel is:

Charles E. McChesney II
Senior Counsel
Three Rivers Management, Inc.
on behalf of Hanson Permanente Cement, Inc.
One Oxford Centre, Suite 3000
Pittsburgh, PA, 15219
412-208-8839, 412-208-8803
charles.mcchesney@trmi.biz.

Federal income tax returns and information related thereto were provided by:

John Hutchinson
Senior Director, Taxes
Lehigh Hanson, Inc.
300 E. John Carpenter Freeway
Irving, TX 75062

Phone: 972-653-6071

Fax: 972-819-1735

Corporate ownership history and information related thereto were provided by:

Amy Yi
Assistant Secretary
Hanson Permanente Cement, Inc.
300 E. John Carpenter Freeway, Suite 1800
Irving, TX 75062
Phone: 972-653-6140
Fax: 972-819-1731

- c. *If Respondent wishes to designate an individual for all future correspondence concerning this Site, please indicate here by providing that individual's name, address, telephone number, and fax number.*

Response: Please direct all future communications to the following:

Charles E. McChesney II
Senior Counsel
Three Rivers Management, Inc.
on behalf of Hanson Permanent Cement, Inc.
One Oxford Centre, Suite 3000
Pittsburgh, PA, 15219
Phone: 412-208-8839
Fax: 412-208-8803
charles.mcchesney@trmi.biz

- d. *State the dates during which Respondent held any property interests at or within one-half mile of the Site.*

Response: Kaiser Cement purchased the Eastside Property in separate transactions on June 23, 1944 and October 14, 1958. A portion of the Eastside Property acquired in 1944 was sold to Kaiser Gypsum in December 1953. Kaiser Cement sold the remainder of the Eastside Property on October 1, 1985 to Ridel International, Inc.

Kaiser Cement entered into a long term lease with the Port in 1965 for the Westside Property. In May 1969, Kaiser Cement entered into a real estate contract with the Port and, by a fulfillment deed, acquired fee title to the Westside Property on September 17, 1973. Kaiser Cement sold the Westside Property on April 14, 1987 to Lone Star Industries, Inc.

- e. *State the dates during which Respondent conducted any business activity at or within one-half mile of the Site.*

Response: Based on the information known to date, Kaiser Cement operated a cement distribution facility on the Eastside Property from October 1946 to October 1985 and

operated a cement manufacturing and distribution facility on the Westside Property from 1967 to April 1987.

- f. *Describe the nature of Respondent's business activities at the Site or within one-half mile of the Site.*

Response: See response to Question 1(e) above as if fully set forth herein.

- g. *In relation to your answer to the previous question, identify all materials used or created by your activities at the Site, including raw materials, commercial products, building debris, and other wastes.*

Response: Kaiser Cement objects to the term "activities" on the grounds that it is vague, ambiguous and overly broad. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the term "activities." As stated above, based on a review of the limited information available, Kaiser Cement either manufactured or distributed cement from the Seattle Properties. Kaiser Cement will supplement its response to this question if further review of documents reveals information responsive to this request.

- h. *If Respondent, its parent corporation, subsidiaries or other related or associated companies have filed for bankruptcy, provide:*

- i. *the U.S. Bankruptcy Court in which the petition was filed;*
- ii. *the docket numbers of such petition;*
- iii. *the date the bankruptcy petition was filed;*
- iv. *whether the petition is under Chapter 7 (liquidation), Chapter 11 (reorganization), or other provision; and*
- v. *a brief description of the current status of the petition.*

Response: Kaiser Cement objects to the terms "other related or associated companies" on the grounds that it is vague, ambiguous and overly broad and Kaiser Cement does not know what meaning USEPA attaches to such terms. Nevertheless, without waiving the foregoing objection, based on available information, neither Kaiser Cement, nor its parent corporation, nor its subsidiary has filed for bankruptcy.

2. **Site Activities and Interests**

- a. *Provide all documents in your possession regarding the ownership or environmental conditions of the Site, including, but not limited to, copies of deeds, sales contracts, leases, blueprints, "as-builts" and photographs. Environmental conditions of the Site includes information related to soil, sediment, water (ground and surface), and air quality, such as, but not limited to:*

Response: Kaiser Cement objects to the term "environmental conditions" on the grounds that it is overly broad, vague and ambiguous. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the term "environmental conditions."

- i. *Any spill, leak, release, or discharge of a hazardous substance, waste, or material at or near the Site;*

Response: Kaiser Cement objects to the term "hazardous substance" on the grounds that it is vague, ambiguous and overly broad. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the term "hazardous substance." Notwithstanding the foregoing objections, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveals information responsive to this request.

- ii. *Occurrences of violations, citations, deficiencies, and/or accidents concerning the Site;*

Response: Notwithstanding the foregoing objection, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveals information responsive to this request.

- iii. *Remediation or removal of contaminated soils, sediments, or other media at the Site; and*

Response: Notwithstanding the foregoing objection, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveals information responsive to this request.

- iv. *Investigations, inspections, sampling, and reports generated by Respondent and/or others regarding the Site and surrounding area.*

Response: Notwithstanding the foregoing objection, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveals information responsive to this request.

- b. *Provide information on the condition of the Site when purchased or at the beginning of the relevant time period; describe the source, volume, and content of any fill material used during the construction of the buildings, including waterside structures such as seawalls, wharves, docks, or marine ways. Additionally, describe any subsequent improvements, alterations, demolitions, or additions to the physical structures or the Site itself.*

Response: Kaiser Cement objects to the terms "condition of the Site" on the grounds that it is overly broad, vague and ambiguous. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the terms "condition of the Site." Notwithstanding the foregoing objections, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveals information responsive to this request.

c. *Provide information on past dredging or future planned dredging at this Site.*

Response: Notwithstanding the foregoing objections, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveals information responsive to this request. Kaiser Cement has no future planned dredging at this Site.

d. *Provide a brief summary of the activities conducted at the Site while under Respondent's ownership or operation. Include process diagrams or flow charts of the industrial activities conducted at the Site.*

Response: Kaiser Cement objects to the terms "activities" and "industrial activities" on the grounds that they are vague, ambiguous and overly broad. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the terms "activities" and "industrial activities." Notwithstanding the foregoing objections, Kaiser Cement operated a cement distribution facility on the Eastside Property and operated a cement manufacturing and distribution facility on the Westside Property. Following further review of historical documents, Kaiser Cement hopes to provide additional details of its operations at the Seattle Properties.

e. *Provide all documents pertaining to sale, transfer, delivery, disposal, of any hazardous substances, scrap materials, and/or recyclable materials to this property.*

Response: Kaiser Cement objects to the terms "hazardous substances," "scrap materials," and "recyclable materials" on the grounds that they are vague, ambiguous and overly broad. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the terms "hazardous substances," "scrap materials," and "recyclable materials." Notwithstanding the foregoing objections, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveals information responsive to this request.

f. *Provide all information on electrical equipment used at the Site, including transformers or other electrical equipment that may have contained polychlorinated biphenyls (PCBs).*

Response: Kaiser Cement objects to the term "electrical equipment" on the grounds it is vague, ambiguous and overly broad. Nevertheless, without waiving the foregoing objection, Kaiser Cement will respond in good faith to provide information that may be

relevant to USEPA's inquiry concerning what Kaiser Cement understands to be the meaning of the term "electrical equipment." Notwithstanding the foregoing objections, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveal information responsive to this request.

- g. *Provide information on the type(s) of oils or fluids used for lubrication of machinery or other industrial purposes, and any other chemicals or products which are or may contain hazardous substances which are or were used at the Site for facility operations.*

Response: Kaiser Cement objects to the terms "industrial purposes" and "products" on the grounds they are vague, ambiguous and overly broad. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the terms "industrial purposes" and "products." Notwithstanding the foregoing objections, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveals information responsive to this request.

- h. *Provide any site drainage descriptions, plans or maps that include information about storm drainage which includes, but is not limited to, above or below surface piping, ditches, catch basins, manholes, and treatment/detention or related structures including outfalls. If available, also include information about connections to sanitary sewer.*

Response: Notwithstanding the foregoing objection, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveals information responsive to this request.

- i. *With respect to past site activities, please provide copies of any stormwater or drainage studies, including data from sampling, conducted at the Site. Also provide copies of any Stormwater Pollution Prevention, Maintenance Plans, Spill Plans, and any stormwater, process water, or any other discharge permits that may have been developed or obtained for different operations during the Respondent's occupation of the property.*

Response: Kaiser Cement objects to the term "past site activities" on the grounds it is vague, ambiguous and overly broad. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the term "past site activities." Notwithstanding the foregoing objections, Kaiser Cement is not aware of any documents responsive to this request at this time, however, it will supplement its answer to this question if further review of documents reveals information responsive to this request.

3. **Information About Others**

- a. *Describe any business relationship you may have had regarding the property or operations thereon with the following entities:*

Response: Kaiser Cement objects to the term "business relationship" on the grounds it is vague, ambiguous and overly broad. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the term "business relationship."

- i. *Ash Grove Cement Company*

Response: Notwithstanding the foregoing objection, Kaiser Cement is not aware of any relationship between Kaiser Cement and Ash Grove Cement Company related to Kaiser Cement's former facilities at the Seattle Properties. Kaiser Cement will supplement its answer to this question if further review of documents reveals information responsive to this request.

- ii. *Glacier Northwest, Inc.*

Response: Notwithstanding the foregoing objection, Kaiser Cement is not aware of any relationship between Kaiser Cement and Glacier Northwest, Inc. related to Kaiser Cement's former facilities at the Seattle Properties. Kaiser Cement will supplement its answer to this question if further review of documents reveals information responsive to this request.

- iii. *Kaiser Cement Corporation*

Response: Notwithstanding the foregoing objection, Kaiser Cement Corporation is the former name of Kaiser Cement.

- iv. *Kaiser Gypsum Corporation, and.*

Response: Notwithstanding the foregoing objection, Kaiser Cement has no knowledge of an entity named "Kaiser Gypsum Corporation." Kaiser Cement, however, is the one hundred percent (100%) owner of all outstanding shares of the entity known as Kaiser Gypsum Company, Inc.

- v. *Lone Star Industries, Inc.*

Response: Notwithstanding the foregoing objection, as discussed above, Lone Star Industries, Inc. purchased the Westside Property from Kaiser Cement in 1987.

- b. *Provide the names and last known address of any tenants or lessees, the dates of their tenancy and a brief description of the activities they conducted while operating on the above mentioned Site.*

Response: As discussed above, from 1965 to 1973, Kaiser Cement was a tenant under a long term lease with the Port at the Westside Property. Kaiser Cement acquired fee title for the Westside Property by fulfillment deed in 1973. Kaiser Cement has no current knowledge of the Seattle Properties being leased to any third party during Kaiser Cement's ownership of the Seattle Properties. Kaiser Cement will supplement its answer to this question if further review of documents reveals information responsive to this request.

- c. *If not already provided, identify and provide a last known address or phone number for all persons, including Respondent's current and former employees or agents, other than attorneys, who have knowledge or information about the generation, use, purchase, storage, disposal, placement, or other handling of hazardous materials at, or transportation of hazardous materials to or from, the Site.*

Response: Kaiser Cement objects to the term "hazardous materials" on the grounds that it is vague, ambiguous and overly broad. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the term "hazardous substances." As described in its Initial Statement above, Kaiser Cement has no knowledge as to the whereabouts of its former employees that could have information regarding the Seattle Properties. Kaiser Cement will supplement its answer to this question if further review of documents reveals information responsive to this request.

4. **Financial Information**

- a. *Provide true and complete copies of all federal income tax documents, including all supporting schedules, for 2004, 2005, 2006, 2007 and 2008. Provide the federal Tax Identification Number and, if documentation is not available, explain why in detail.*

Response: Kaiser Cement objects to the term "federal income tax documents" on the grounds that it is vague, ambiguous and overly broad. Nevertheless, without waiving the foregoing objection, Kaiser Cement responds herein based on its understanding of the term "federal income tax documents." Kaiser Cement's federal income tax returns for 2004, 2005, 2006, 2007 and 2008 are attached. **The information and documents responsive to this request are hereby designated Confidential Business Information pursuant to 42 U.S.C. §§ 9604(e)(7)(E) and 40 C.F.R. § 2.203(b) as provided by section reference on a separate disk marked "Confidential Business Information."**

- b. *Provide the Respondent's financial interest in, control of, or that the Respondent is a beneficiary of any assets (in the U.S. or in another country) that have not been identified in your federal tax returns or other financial information to be presented to EPA. If there are such assets, please identify each asset by type of asset, estimated value, and location.*

Response: Kaiser Cement objects to the terms "financial interest in" and "assets" on the grounds that they are vague, ambiguous and overly broad. Nevertheless, without waiving

the foregoing objection, Kaiser Cement responds herein based on its understanding of the terms "financial interest in" and "assets." To the best of Kaiser Cement's knowledge, all of Kaiser Cement's tangible and measurable assets are noted in the federal income tax returns described in Kaiser Cement's response to Question 4(a) above.

- c. *If Respondent is, or was at any time, a subsidiary of, otherwise owned or controlled by, or otherwise affiliated with another corporation or entity, then describe the full nature of each such corporate relationship, including but not limited to:*
- i. *a general statement of the nature of the relationship, indicating whether or not the affiliated entity had, or exercised, any degree of control over the daily operations or decision-making of the Respondent's business operations at the Site;*

Response: Kaiser Cement objects to this question as overly broad, unduly burdensome, ambiguous, and unintelligible to the extent it seeks information related to "affiliated entities," and relies on the terms "affiliated with" and "any degree of control," without providing any definition of said terms or limiting the scope of their application to a reasonable set of activities or conduct. Kaiser Cement will respond herein by applying its understanding that the terms "affiliated entities" and "affiliated with" mean ownership of all outstanding shares of a business entity, and Kaiser Cement will respond herein by applying its understanding of the term "degree of control." Notwithstanding the foregoing objection, as described above, there are several entities that have based on a review of available information, during the relevant time periods (June 1944 to the present), ownership of Kaiser Cement was as follows:

As described above, Kaiser Cement has gone through a number of corporate mergers and name changes since June 1944. Given this fact, together with the over seventy years that have passed since that time, information regarding the identity of the owner of outstanding shares of Kaiser Cement during all relevant time periods is not readily available. What information has been determined as available is reported below. Kaiser Cement's investigation is ongoing, and Kaiser Cement will supplement its answer to this question if further review of documents reveals information responsive to this request.

Immediately prior to November 1986, Kaiser Cement was a publicly traded company. Since September 23, 1996, one hundred percent (100%) of the stock of Hanson Permanente Cement, Inc. has been owned by KH 1, Inc., a Delaware corporation. The current corporate address for KH 1, Inc. is 300 E. John Carpenter Freeway, Suite 1800, Irving, Texas 75062.

By way of further response, and based on a review of available information, Kaiser Cement is not aware of any documents or information establishing that the relationship between Kaiser Cement and the owner of the outstanding shares of Kaiser Cement during the relevant time periods was anything other than the normal relationship between a shareholder and the corporation issuing the shares owned by said shareholder,

with said shareholder exercising those rights and powers granted under applicable business entity law.

- ii. *the dates such relationship existed;*

Response: See response to Question 4(c)(i) above as if fully set forth herein.

- iii. *the percentage of ownership of Respondent that is held by such other entity(ies);*

Response: See response to Question 4(c)(i) above as if fully set forth herein.

- iv. *for each such affiliated entity provide the names and complete addresses of its parent, subsidiary, and otherwise affiliated entities, as well as the names and addresses of each such affiliated entity's officers, directors, partners, trustees, beneficiaries, and/or shareholders owning more than five percent of that affiliated entity's stock;*

Response: Kaiser Cement objects to this question as overly broad, unduly burdensome, ambiguous, and unintelligible to the extent it seeks information related to "affiliated entities" without providing any definition of said term. Kaiser Cement will respond herein by applying its understanding that the term "affiliated entity" means ownership of all shares of a business entity. Kaiser Cement further objects to this question as overly broad and unduly burdensome to the extent it calls for the identification, names and addresses of every officer, director, partner, trustee, beneficiary and/or shareholder of multiple corporate entities over a seventy six year time period, a substantial portion of which involved periods of time during which Kaiser Cement did not own the Seattle Properties and did not conduct any business activities at the Seattle Properties. Notwithstanding the foregoing objection, Kaiser Cement will provide the following information regarding the current officers, directors, and shareholders of Hanson Permanente Cement, Inc. and KH 1, Inc.:

Current Officers, Directors, and Shareholders of Hanson Permanente Cement, Inc.:

Karen M. Mance
President & Treasurer
Hanson Permanente Cement, Inc.
One Oxford Centre, Suite 3000
Pittsburgh, PA 15219

Jill M. Blundon
Vice President & Secretary
Hanson Permanente Cement, Inc.
One Oxford Centre, Suite 3000
Pittsburgh, PA 15219

Michael H. Hyer
Vice President & Director
Hanson Permanente Cement, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

John T. Berry
Vice President & Asst. Treasurer
Hanson Permanente Cement, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

Kari D. Saragusa
Director
Hanson Permanente Cement, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

Robert D. VanBenschoten
Assistant Secretary
Hanson Permanente Cement, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

Amy C. Yi
Assistant Secretary
Hanson Permanente Cement, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

John M. Hutchinson
Assistant Secretary
Hanson Permanente Cement, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

James L. Wallmann
Assistant Secretary
Hanson Permanente Cement, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

KH 1, Inc.
Owner of 100% of shares of
Hanson Permanente Cement, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

Current Officers, Directors, and Shareholders of KH 1, Inc.:

Daniel M. Harrington
President & Director
KH 1, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

Michael H. Hyer
Vice President, Secretary & Director
KH 1, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

Robert D. VanBenschoten
Assistant Secretary
KH 1, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

Amy C. Yi
Assistant Secretary
KH 1, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

John M. Hutchinson
Assistant Secretary
KH 1, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

John T. Berry
Vice President & Treasurer
KH 1, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

James L. Wallmann
Assistant Secretary
KH 1, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

HBMA Holdings, LLC
Owner of 100% of shares of
KH 1, Inc.
300 E. John Carpenter Freeway, Ste 1800
Irving, TX 75062

- v. *provide any and all insurance policies for such affiliated entity(ies) which may possibly cover the liabilities of the Respondent at the Site; and*

Response: Kaiser Cement objects to this question as overly broad, unduly burdensome, ambiguous, and unintelligible to the extent it seeks information related to "affiliated entities" and it uses the phrase "might possibly cover" without providing any definition of said terms or phrases. Kaiser Cement will respond herein by applying its understanding that the term "affiliated entity" means ownership of all shares of a business entity, and Kaiser Cement will further respond herein by applying its understanding that the phrase "might possibly cover" means identifies Respondent as an insured or additional insured under said insurance policy. Kaiser Cement further objects to this question as calling for Kaiser Cement to make a legal conclusion as to whether an insurance policy "might possibly cover" a particular liability, as that is a question of contract interpretation and may be a matter of dispute between an insured and an insurer. In addition, Kaiser Cement objects to this question as overly broad and unduly burdensome to the extent that the phrase "the liabilities of Respondent at the Site" is not reasonably limited to liabilities associated with USEPA's CERCLA authority. Notwithstanding the foregoing objections, Kaiser Cement responds by identifying, as if fully restated herein, those insurance policies identified in Kaiser Cement's response to Question 5(a) below.

- vi. *provide any and all corporate financial information of such affiliated entities, including but not limited to total revenue or total sales, net income, depreciation, total assets and total current assets, total liabilities and total current liabilities, net working capital (or net current assets), and net worth.*

Response: Kaiser Cement objects to this question as overly broad, unduly burdensome, ambiguous, and unintelligible to the extent it seeks information related to "affiliated entities" and seeks "corporate financial information" without providing any definition of said terms, and to the extent it is not reasonably limited in time. Kaiser Cement will respond herein by applying its understanding that the term "affiliated" means ownership of all shares of a business entity. Notwithstanding the foregoing objections, Kaiser Cement responds by providing certain current information responsive to this Question regarding Hanson Permanente Cement, Inc. and KH 1, Inc. **The information and documents responsive to this request are hereby designated Confidential Business Information pursuant to 42 U.S.C. §§ 9604(e)(7)(E) and 40 C.F.R. § 2.203(b) as provided by section reference on a separate disk marked "Confidential Business Information."**

5. **Insurance Coverage**

- a. *Provide copies of all property, casualty and/or liability insurance policies, and any other insurance contracts referencing the site or facility and/or Respondent's business operations (including, but not limited to, Comprehensive General Liability, Environmental Impairment Liability, Pollution Legal Liability, Cleanup Cost Cap or Stop Loss Policies). Include, without limitation, all primary, excess,*

and umbrella policies which could be applicable to costs of environmental investigation and/or cleanup, and include the years such policies were in effect.

Response: Kaiser Cement objects to this question as overly broad, unduly burdensome, ambiguous, and unintelligible to the extent it uses the phrase "could be applicable to" without providing any definition of said phrase. Kaiser Cement will respond herein by applying its understanding that the term "could be applicable to" means, under applicable law, that an insurance policy should provide a legal defense to and/or indemnification of a particular liability. Kaiser Cement further objects to this question as calling for Kaiser Cement to make a legal conclusion as to whether an insurance policy "could be applicable to" a particular liability, as that is a question of contract interpretation and may be a matter of dispute between an insured and an insurer. Notwithstanding the foregoing objections, Kaiser Cement is producing known records in its possession which are responsive to this request. Kaiser Cement will supplement its answer to this question if further review of documents reveals information responsive to this request. **The information and documents responsive to this request are hereby designated Confidential Business Information pursuant to 42 U.S.C. §§ 9604(e)(7)(E) and 40 C.F.R. § 2.203(b) as provided by section reference on a separate disk marked "Confidential Business Information."**

- b. *If there are any such policies from question "5a" above which existed, but for which copies are not available identify each such policy by providing as much of the following information as possible:*
- i. *the name and address of each insurer and of the insured;*
 - ii. *the type of policy and policy numbers;*
 - iii. *the per occurrence policy limits of each policy; and*
 - iv. *the effective dates for each policy.*

Response: Kaiser Cement is producing a draft spreadsheet containing information responsive to this request. Kaiser Cement will supplement its answer to this question if further review of documents reveals information responsive to this request. **The information and documents responsive to this request are hereby designated Confidential Business Information pursuant to 42 U.S.C. §§ 9604(e)(7)(E) and 40 C.F.R. § 2.203(b) as provided by section reference on a separate disk marked "Confidential Business Information."**

- c. *Identify all insurance brokers or agents who placed insurance for the Respondent at any time during the period being investigated, as identified at the beginning of this request, and identify the time period during which such broker or agent acted in this regard.*

Response: Kaiser Cement is producing a draft spreadsheet containing information responsive to this request. Kaiser Cement will supplement its answer to this question if further review of documents reveals information responsive to this request. **The**

information and documents responsive to this request are hereby designated Confidential Business Information pursuant to 42 U.S.C. §§ 9604(e)(7)(E) and 40 C.F.R. § 2.203(b) as provided by section reference on a separate disk marked "Confidential Business Information."

- d. *Identify all communication and provide all documents that evidence, refer, or relate to claims made by or on behalf of the Respondent under any insurance policy in connection with the site. Include any responses from the insurer with respect to any claims.*

Response: To date, Kaiser Cement has not had any communications with any insurers regarding claims related to the Lower Duwamish Waterway in Seattle, Washington.

- e. *Identify any previous settlements with any insurer in connection with the site, or for any claims for environmental liabilities during the time period under investigation. Include any policies surrendered or cancelled by the Respondent or insurer.*

Response: To date, Kaiser Cement has not entered into any settlements with any insurers regarding any claims related to the Lower Duwamish Waterway in Seattle, Washington.

- f. *Identify any and all insurance, accounts paid or accounting files that identify Respondent's insurance policies.*

Response: Kaiser Cement is unaware of any documents responsive to this request. Kaiser Cement will supplement its answer to this question if further review of documents reveals information responsive to this request.

- g. *Identify Respondent's policy with respect to document retention.*

Response: All known Kaiser Cement records created at or prior to the 1985 to 1987 time frame when Kaiser Cement sold all assets related to its active business operations at the Seattle Properties were transferred to storage facilities located in California and continued to be stored in California. Due to certain retention obligations imposed by pending litigation in other matters, Kaiser Cement has retained at least one copy of all such records since such documents were transferred to California for storage. Any current Kaiser Cement records related to tax, finance or corporate governance are subject to retention obligations contained in the company's July 2008 Records Management and Retention Policy.

6. **Compliance with This Request**

- a. *Describe all sources reviewed or consulted in responding to this request, including, but not limited to:*
- i. *the name and current job title of all individuals consulted;*

ii. *the location where all documents reviewed are currently kept.*

Response: Other than the federal income tax returns, corporate ownership and governance, and real estate title records reviewed in responding to the Request, the sole source of information to respond to these requests are the historical documents provided with this Initial Response. Two disks containing the responsive documents are enclosed with this Initial Response. The name and current job title of those individuals other than outside counsel for Kaiser Cement that were consulted in preparing these responses is provided in Kaiser Cement's response to Question 1(b), which is incorporated as if fully set forth herein.

Insurance Policies Bates Numbers

Index of Documents Provided

Bates Numbers	Document Provided		Request Number
KC2000001-148	Income Tax Returns for years 2004-2008	Confidential	4.a. 4.b.
KC2000149-155	Spreadsheet containing information re insurance carrier, policy numbers, policy limits, policy dates, and agent/brokers	Confidential	5.b. 5.c.
KC2000156-205	Title Information		1.d. 1.e. 3.a.v. 3.b.
KC2000206-216	Various news releases regarding Kaiser Cement varying from 1944 to the late 1960's		1.e. 1.f. 1.g. 2.d.
KC2000217-220	Affiliated entities corporate financial information	Confidential	4.c.vi.
See attached	Insurance Policies	Confidential	5.a.

Insurance Policies Bates Numbers

FF00001-0026	30002917-2924	30004525-4564	30007836-7843
70000001-42	30002926-2931	30004985-5041	30007849-7871
70100001-14	30002933-2934	30005045-5046	30007876-7882
70100019-35	30002936-2940	30005219-5287	30007887-7901
70200001-48	30002942-2948	30005352-5391	30007905-7916
70300001-27	30002951-2962	30005679-5749	30007920-7931
70400001-80	30002964-2970	30006183-6272	30007937-7950
70600001-10	30002972-2978	30006276-6311	30007969-7986
30000002-40	30002980-2985	30006318-6399	30008003-8017
30000042-69	30002987-2990	30006401-6451	30008021-8049
30000220-290	30002992-3001	30006512-6516	30008053-8070
30000714-770	30003004-3011	30006517-6523	30008074-8082
30000773-807	30003013-3020	30006530-6540	30008086-8100
30001146-1179	30003022-3029	30006719-6722	30008104-8114
30001223-1239	30003031-3040	30006726-6730	30008118-8154
30001241-1272	30003042-3044	30006733-6736	30008160-8187
30001275-1309	30003046-3054	30006738-6742	30008191-8200
30001311-1348	30003056-3059	30006745-6748	30008204-8208
30001377-1391	30003061-3065	30006750-6754	30008211
30001393-1409	30003067-3070	30006757-6762	30008215-8228
30001411-1413	30003072-3075	30006764-6765	30008246-8271
30001415-1428	30003077-3079	30006767-6775	30008275-8302
30001432-1707	30003081-3084	30006777-6788	30008306-8315
30001709-1997	30003086-3091	30006791-6794	30008317-8329
30002000-2005	30003583-3721	30006796-6799	30008332-8337
30002008-2023	30003804-3807	30006802-6805	30008339-8353
30002026-2028	30003810-3818	30006807-6812	30008355-8362
30002031-2036	30003821-3826	30006814-6817	30008365-8384
30002039-2048	30003833-3835	30006819-6833	30008388-8414
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30002089-2124	30003845-3851	30006839-6862	30008426-8433
30002127-2159	30003854-3859	30006864-6889	30008438-8454
30002161-2164	30003861-3876	30006891-6902	30008456-8467
30002170-2178	30003879-3885	30006915-6923	30008470-8507
30002181-2190	30003886-3892	30007187-7194	30008509-8515
30002192-2196	30003916-3946	30007198-7204	30008517-8534
30002198-2204	30003978-3982	30007235-7236	30008543-8594
30002206-2214	30003985-3990	30007293-7298	30008597-8624
30002218-2226	30003993-3996	30007321-7342	30008626-8635
30002229-2244	30003999-4004	30007344-7375	30008639-8653
30002256-2277	30004006-4012	30007376-7399	30008743-8766
30002306-2332	30004015-4023	30007477-7511	30008793-8822
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30002344-2362	30004036-4042	30007533-7539	30008873-8876
30002379-2392	30004049-4051	30007542-7562	30008878-8880
30002394	30004054-4082	30007567-7604	30008884
30002397-2426	30004084-4091	30007609-7640	30008886
30002428-2435	30004098-4128	30007645-7658	30008892
30002437-2446	30004148-4197	30007662-7666	30008902-8919
30002475-2477	30004199-4229	30007670-7715	30008920-8928
30002530-2554	30004231-4301	30007719-7725	30008956-8968
30002647-2701	30004303-4370	30007730-7737	30008969-8979
30002703-2835	30004372-4378	30007743-7766	30008992-9111
30002839-2888	30004380-4393	30007768-7772	30009117-9154
30002891-2896	30004395-4411	30007777-7793	30009165-9250
30002898-2904	30004416-4425	30007798-7810	30009258-9261
30002907-2915	30004429-4444	30007813-7821	30009302-9415